

# DEPARTMENT OF PLANNING REPORT

## PLANNING COMMISSION PUBLIC HEARING

DATE OF HEARING: November 3, 2010

PROJECT NUMBER/NAME: CPAM 2009-0001, Keynote Employment Policies

**Comprehensive Plan Amendment** 

**DECISION DEADLINE: 90 Days from Planning Commission Action** 

**ELECTION DISTRICTS: Ashburn, Dulles, Potomac, Sterling** 

PROJECT PLANNER: Michael "Miguel" Salinas DIRECTOR: Julie Pastor

#### **EXECUTIVE SUMMARY**

On February 3, 2009, the Board of Supervisors initiated a Comprehensive Plan Amendment, CPAM 2009-0001 Route 28 Keynote Employment Policies, to consider retaining or changing Revised General Plan Keynote Employment land use policies for a specified study area within the Route 28 Corridor. The CPAM workplan called for a phased, issues-driven, results-oriented process with significant emphasis on community involvement. Phase I, Policy Development and Stakeholder Engagement and Phase II, Public Input have been completed. The Planning Commission is currently reviewing the draft CPAM as part of Phase III, Planning Commission and Board of Supervisors Review and Approval (See Attachment 2 for a more detailed discussion of the CPAM workplan activities to date).

On September 3, 2010, provided the Planning Commission with a draft Route 28 Corridor Plan. also drafted recommended implementation strategies, as part of companion efforts for the Route 28 Corridor's strategic planning program. The Planning Commission Subcommittee for the Route 28 CPAM met four times during the month of October (October 6<sup>th</sup>, 13<sup>th</sup>, 20<sup>th</sup>, and 27<sup>th</sup>). The results of the Subcommittee's review is a draft plan that can be found in Attachment 4. The drafted policies are categorized under the following headings and are intended to provide a framework for future development in the corridor that reflect the eight conceptual themes derived from the public/stakeholder process: Economic, Land Use, Housing, Transportation, Design, and Sustainable Development.

#### RECOMMENDATION

Comparing the September 3<sup>rd</sup> draft Plan and the October 27<sup>th</sup> Subcommittee draft Plan, highlights the following items for the Commission's consideration:

- Expansion of the areas designated for Mixed-Use Office Centers could result in significant increases in the amount of retail and residential uses which in turn may hinder the ability to achieve the predominantly Class A office development pattern(s) as highlighted in conceptual themes put forth by stakeholders;
- The PC Subcommittee's recommended reductions in the FARs for Mixed-Use Office Centers and Office Clusters may be effective in bringing the overall increases for either Route 28 Corridor Plan build-out scenario more in line with the Revised General Plan
- The approach taken by Staff in the Route 28 Corridor Plan draft was to design and locate the Mixed-Use Office Centers strategically within compact areas to catalyze the Office development potential of sites and their vicinities and to protect the tax base of the Route 28 Tax District. While the expansion of the Mixed-Use Office Centers may expand the "places" or centers of activity within the corridor, those increases will not provide as much developable land for business activity. This displacement of land for predominantly Office within the corridor will likely also diminish realization of the County's vision for the Route 28 Corridor as a predominantly commercial, employment-based corridor with broad employment opportunities.
- Staff is conducting capital facilities and transportation impacts analyses based on the build-out scenarios. This information should be useful as the Planning Commission continues development of the Plan amendment.

## **SUGGESTED MOTIONS**

1. I move that the Planning Commission forward CPAM 2009-0001, Route 28 Keynote Employment Policies Comprehensive Plan Amendment to worksession for further discussion.

Or,

2. I move an alternate motion.

#### **ATTACHMENTS**

- 1. Route 28 Corridor Boundary Map
- 2. Detailed Discussion, CPAM 2009-0001 Workplan Activities to date
- 3. Route 28 Corridor Build-out Analysis Tables
- 4. CPAM 2009-0001, Route 28 Corridor Plan as revised October 27, 2010; includes proposed changes to the 2001 Revised General Plan and the Retail Plan.

#### INTRODUCTION:

The Route 28 Corridor, including the Route 28 Tax District, has long been envisioned to develop as a major employment center in Loudoun County due to its proximity to a highly skilled and educated workforce, immediate access to a regional transportation network and adjacency to a world class international airport. As such, the development and growth of employment in the corridor is critical for both the protection of the Tax District and the economy of the County.

Approximately 60% of the land area is planned as Keynote Employment, defined as 100% office and research and development campuses with supportive retail and personal services exclusive of residential. Over time, however, the corridor has not developed with the kind of Class A office space adjacent to Route 28 envisioned by the Revised General Plan. Consequently, under-development is limiting the County's ability to generate even greater tax revenues and increase the percentage of the County's tax base from commercial development. The predominant uses that are currently in the corridor have lower average assessed values per square foot than higher-density Class A Office. With large building footprints and surface parking lots, they are also a more land-intensive product which results in limiting how much development can actually occur on a particular property.

On February 3, 2009, the Board of Supervisors initiated a Comprehensive Plan Amendment, CPAM 2009-0001 Route 28 Keynote Employment Policies, to consider retaining or changing Revised General Plan Keynote Employment land use policies for a specified study area within the Route 28 Corridor. Prior to the Board approving the CPAM workplan in December 2009, a significant amount of data and input had been gathered through various Route 28 corridor activities and initiatives including: Belfort Park Task Force Final Report; Route 28 Tax District Existing Conditions Report; Route 28 Business Outreach Results Report; and the Route 28 Corridor Analysis of Development Potential for Class A Office Space (documents available online at www.loudoun.gov/route28). Since December 2009, Loudoun County Staff has held several interactive sessions with Route 28 property owners to present and garner feedback on the findings and conclusions from the Business Outreach Results Report and the Corridor Analysis Study.

On September 8, 2010, the Board of Supervisors voted to revise the study area and scope of CPAM 2009-0001, Route 28 Keynote Employment Policies to include remaining properties within the boundaries of the Route 28 Tax District (Attachment 1, Route 28 Corridor Boundary Map). In addition to Keynote Employment, the expanded study area included properties designated Business Community and Industrial Community. Expanding the study area gave the County the opportunity to apply policies more broadly to support a more consistent and quality development pattern within the larger Corridor and promote it as a premier location and employment destination for regional, national, and international businesses.

#### **CPAM PROCESS**

The workplan include a phased, issues-driven, results-oriented process with significant emphasis on community involvement (See figure below). The phases included Policy Development and Stakeholder Engagement (Phase I), Public Input (Phase II), and Planning Commission and Board of Supervisors review and approval (Phase III). A more detailed discussion of the process can be found in Attachment 3.



Figure 1: CPAM 2009-0001 Route 28 Keynote Employment Policies Workplan

#### **DRAFT POLICIES**

Based on information received during Phases I and II, on September 3, 2010 provided a draft Route 28 Corridor Plan to the Planning Commission. ( also provided for the Commission's consideration draft implementation strategies, as a companion document for the Route 28 Corridor's strategic planning program). The Economic, Land Use, Housing, Transportation, Design, and Sustainable Development policies contained within the draft Corridor Plan are intended to provide a framework for future development in the corridor that reflect the eight conceptual themes derived from the public process. The Conceptual Themes include:

- The Route 28 Corridor is an employment-based corridor that offers broad employment opportunities;
- The Route 28 Corridor creates "places" or centers of activity offering office and office-supportive amenities along with public and civic uses that give the corridor a community identity;
- The Route 28 Corridor supports residential densities that are supportive and subordinate to employment densities within Mixed-Use Office Centers and in locations that can induce greater business activity;
- The Route 28 Corridor takes advantage of its proximity to Washington Dulles International Airport by attracting new aviation and airport-ancillary businesses to the corridor and supporting the expansion of existing airport-related businesses in appropriate areas. The airport's location on the southern end of the Corridor

also generates demand for office space from businesses that want to locate close to an international airport as well as hotels, restaurants, and retail centers that cater to business travelers and tourists;

- The Route 28 Corridor promotes multi-modal connectivity, including transit, with the existing and planned transportation infrastructure;
- The Route 28 Corridor promotes a consistent pattern of development adjacent to Route 28 with higher-density office development and mixed-use activity centers;
- The form and design of the Route 28 Corridor will be critical in promoting the County's vision of a high-quality office and commercial corridor that achieves higher office densities, attracts regional, national, and international businesses, and provides a unified development pattern throughout the corridor; and,
- The Route 28 Corridor encourages sustainable development practices.

#### Land Use

The proposed Route 28 Corridor Plan land use policies maximize the commercial development potential within Route 28 Corridor by offering distinct land development patterns that are defined by the overall form and character of development and recommended land use mixes and intensities (See Route 28 Corridor Plan Land Development Patterns Map, page 8, Attachment 5). The Plan also eliminates the Destination Retail Overlays within the corridor that support stand-alone, large-scale, multi-tenant shopping centers and big box stores. Existing and planned residential and high-density residential neighborhoods within the corridor have not changed or been modified.

- Route 28 Core: The Route 28 Core is generally bounded by Pacific Boulevard and the Broad Run floodplain to the west and Atlantic Boulevard/Glenn Drive to the east. The Route 28 Core envisions that areas adjacent to Route 28 develop as high-quality, high intensity office developments that take advantage of the economic opportunities associated with frontage on the highway. The two development options within the Core include Office Clusters and Mixed-Use Office Centers (limited to specific locations). Office Clusters are defined as medium and high density compact, pedestrian-oriented office developments with highly integrated office-supportive amenities including retail, restaurants, hotels, personal services, parks and open spaces, public and civic uses, and both surface and structured parking at full build-out. They do not permit a residential component. Mixed-Use Office Centers are live-work centers that will have higher intensities and a greater variety of uses than other areas of the corridor including multi-family residential to support a diversity of residents and workers, transit, and retail, entertainment, and recreational activities The mix of uses will allow for the creation of vibrant, activity-rich centers that will attract office tenants and a broad spectrum of residents and employees to the corridor and create unique "places" that are amenities for the entire corridor and its surrounding areas.
- Route 28 Business: The Route 28 Business area reserves land outside the Route 28 Core for low to mid-density Office and Flex uses. Flex uses also

include Data Centers. The overall intensity of these areas will generally be lower than Office Clusters and Mixed-Use Office Centers.

 Route 28 Industrial: The Route 28 Industrial area supports Heavy Industrial, Light Industrial, and Flex uses that have traditionally clustered near the Washington Dulles International Airport. This area provides more immediate access to the airport, Route 606, Route 28, and the regional surface transportation network and also protects land critical to airport-related businesses and directs these types of uses to land that is outside the Route 28 Core.

## Housing

The draft Plan call for Mixed-Use Office Centers to include the provision of multi-family housing located close to employment, transit, shopping and services. Current housing policies support a commitment to unmet housing needs (defined as housing at incomes between 0 and 100% of the Washington Metropolitan Area Median Income) for all development within the Route 28 Corridor that includes a residential component. The draft Plan proposes more specific guidance for meeting the County's unmet housing needs within the Mixed-Use Office Centers.

## **Transportation**

The draft policies support a future transportation network that provides more opportunities for greater bicycle, pedestrian, and transit accessibility to support the types of densities envisioned along the corridor. Development within the Route 28 Core is envisioned as compact, higher-density, developments that include a mixture of integrated uses that will support reductions in vehicle trips and overall traffic congestion and encourage multi-modal development. Policies also support working with the Virginia Department of Transportation to prioritize, fund, and implement road improvements, requiring street connectivity within and between developments through a finer grid of streets to disperse traffic, reduce vehicle trips, and improve bicycle and pedestrian mobility, improving multi-modal accessibility from employment areas to existing and planned residential neighborhoods within and outside the corridor, and identifying locations for Route 28 bicycle and pedestrian cross-connections, including bridges and decks, to decrease the barrier of the highway to bicycle and pedestrian movement. In addition, the plan supports Travel Demand Management (TDM) strategies that reduce the use of single-occupant vehicle trips, optimize non-vehicular modes of transportation and maximize transportation system performance critical for the development of the corridor.

#### Design

The development patterns supported in the Route 28 Corridor, including Mixed-Use Office Centers, Office Clusters, Office, and Flex, focus as much on the physical form and character of development as much as their uses. Therefore, the policies include basic design standards important to achieving a unified development pattern in the corridor that is consistent with the Route 28 Corridor Land Development Pattern Map. The Design policies also include base design standards specific to Office Cluster and Mixed-Use Office Center developments in order to establish a consistent development pattern along Route 28 that supports a viable, cost-effective planned transit system. The

base design standards also establish a more predictable development environment for businesses seeking to develop and locate into the corridor; ensure that development is compatible with adjacent land uses, contributes to the character of the neighborhood and larger community; create vibrant, pedestrian-oriented places; and support development that is high quality and visually appealing from adjacent streets and surrounding neighborhoods with an emphasis on building placement and orientation as well as site design.

## Sustainable Development

The Route 28 Corridor Plan supports opportunities and incentives for sustainable development so that land development is at the forefront of such practices, including green building techniques which include sustainable site design and integrated energy management planning.

## PLANNING COMMISSION SUBCOMMITTEE

The Planning Commission Subcommittee for the Route 28 CPAM met four times during the month of October (October 6<sup>th</sup>, 13<sup>th</sup>, 20<sup>th</sup>, and 27<sup>th</sup>). The subcommittee's revised draft (dated October 27, 2010) includes the following modifications to the draft:

- Expanding the areas where a Mixed-Use Office Center may be located within the Route 28 Corridor;
- Reducing the maximum floor-area-ratios (FARs) for the northern and central Mixed-Use Office Centers from a maximum 2.0 FAR to a maximum 1.0 FAR with the potential to achieve a 1.5 FAR with incentives;
- Reducing the southern Mixed-Use Office Center's maximum FAR to a 1.5 with the potential to go up to a 2.0 FAR with incentives;
- Reducing the maximum FARs for the Route 28 Core from a maximum 1.5 FAR to a maximum 1.0 FAR; and,
- Changing when density bonuses can be applied for "unmet housing needs" to only when Mixed-Use Office Center proposals exceed, rather than meet, the 12% unmet housing needs policies contained in the plan.

## **ESTIMATED BUILD-OUT**

### Background

For the Planning Commission's consideration, Route 28 Corridor Plan build-out analyses have been conducted under two scenarios: 1.) The Route 28 Corridor Plan based on the September 3, 2010 Staff draft distributed to the Planning Commission, and 2.) The Route 28 Corridor Plan based on the Planning Commission (PC) Subcommittee draft through October 27, 2010. The two build-out scenarios have then been compared with the build-out scenario of the Route 28 Corridor under the current policies of the Revised General Plan.

For each of these scenarios, the following tables outline the minimum (low) and maximum (high) potential for various Route 28 Corridor Planned Land Uses, including Office, Flex, Light Industrial, Industrial, Retail, and Residential. The build-out scenarios include the maximum full build-out potentials based on drafted policies. The build-out scenarios are not based on market analyses of what may likely occur.

For purposes of build-out for all three scenarios, the analyses removed from the calculations major and minor floodplain, the Route 28 right-of-way, government-owned properties, County parks, the W&OD Trail, Loudoun Water and Redskins Park. For the two Route 28 Corridor Plan build-out scenarios, land use mix assumptions were used for the Urban Center, Mixed-Use Office Centers, Route 28 Core, Route 28 Business, Transit-Related Employment Center (TREC), and Industrial areas. For the Revised General Plan build-out scenario, land use mix assumptions were used for the Urban Center, Keynote Employment, Destination Retail, Business, TREC, and Industrial areas of the current plan.

Floor Area Ratios (FAR) for all three build-out scenarios were based on the FAR recommendations contained in the draft policies and the <u>Revised General Plan</u>. (Staff calculated build-out for the Mixed-Use Office Centers under the PC Subcommittee recommendations assuming the maximum FAR with incentives is achieved.) The exceptions were:

- The northern Mixed-Use Office Center area was assumed to develop per the non-residential and residential square footage approved with SPEX 2008-0054 and ZMAP 2008-0021, Kincora;
- Commercial Retail and Service uses were assumed to develop at a maximum 0.25 FAR in areas where these uses are not expected to be predominantly vertically integrated with other uses;
- Commercial Retail and Service uses were assumed to develop at a maximum 0.6 FAR in the Route 28 Core, east of Route 28, south of Sterling Boulevard, where a higher concentration of hotel and entertainment uses are envisioned; and
- Flex, Light Industrial, and Industrial uses were assumed to develop at a maximum .2 FAR due to the nature of these buildings typically being one-to-two stories and surface-parked.

Lastly, existing residential developments were assumed to retain their existing densities; vacant, planned High-Density Residential and Residential areas, such as Victoria Station and Pearson Reserve, were assumed to develop based on the highest possible land use densities as recommended by the <u>Revised General Plan</u>; and the planned Residential north of Route 7 was assumed to retain its existing office and retail square footages.

## Analysis

Below are two tables that compare the two Route 28 Corridor Plan build-out scenarios (the Route 28 Corridor Plan based on the September 3, 2010 Staff draft and the Route 28 Corridor Plan based on the PC Subcommittee draft through October 27, 2010) with the build-out scenario of the Revised General Plan. Table 1 compares the build-out scenarios using the minimum (low) potential for various Route 28 Corridor planned land uses. Table 2 compares the build-out scenarios using the maximum (high) potential for various Route 28 Corridor planned land uses.

## **Build-Out Comparison**

Table 1: Build-out Summary: Comparison of Revised General Plan Build-out with the Route 28 Corridor Plan September 3, 2010 Staff Draft and October 20, 2010 PC Subcommittee Draft (Low)<sup>1</sup>

			Light		Special		21.1.7	Residential
Duild out	Office	Flex	Industrial	Industrial	Activity	Retail (sq.	Civic (sq.	(dwelling
Build-out	(sq. ft.)	(sq. ft.)	(sq. ft.)	(sq. ft.)	(sq. ft.)	ft.)	ft.)	unit)
		LO	W FAR/Dens	ity Calculatio	ns <sup>-</sup>			
Revised General Plan								
(RGP)	63,320,182	N/A	10,523,774	3,312,102	915,534	10,805,755	905,575	9,123
Route 28 Corridor Plan								
September 3, 2010								
Staff Draft	70,572,554	12,822,383	3,179,322	489,127	915,534	11,518,855	1,268,277	10,936
D://		Included in	, ,	,	,			,
Difference between RGP		Light						
and Staff Draft	7,252,372	Industrial	5,477,931	-2,822,975	0	713,100	362,702	1,813
		1						
Revised General Plan								
(RGP)	63,320,182	N/A	10,523,774	3,312,102	915,534	10,805,755	905,575	9,123
Route 28 Corridor Plan								
October 20, 2010								
PC Subcommittee Draft	72,294,716	12,742,014	3,179,322	489,127	915,534	12,887,547	1,890,205	14,045
Difference between DCD		Included in						
Difference between RGP		Light						
and PC Subcommittee Draft	8,974,534	Industrial	5,397,563	-2,822,975	0	2,081,792	984,630	4,922

<sup>1</sup>Build-out assumptions and rules are provided in Attachment 3. Please note that major and minor floodplains were removed from build-out calculations.

<sup>&</sup>lt;sup>2</sup>Low floor-area-ratio/density assumptions as well as land use mix assumptions are provided in Attachment 3.

Table 2: Build-out Summary: Comparison of <u>Revised General Plan</u> Build-out with the Route 28 Corridor Plan September 3, 2010 Staff Draft and October 20, 2010 PC Subcommittee Draft (High)<sup>1</sup>

	Office	Flex	Light Industrial	Industrial	Special Activity	Retail (sq.	Civic (sq.	Residential (dwelling				
Build-out	(sq. ft.)	(sq. ft.)	(sq. ft.)	(sq. ft.)	(sq. ft.)	ft.)	ft.)	unit)				
HIGH FAR/Density Calculations <sup>2</sup>												
Revised General Plan	144,118,379	N/A	10,523,774	3,312,102	1,756,068	15,426,077	1,706,149	9,973				
Route 28 Corridor Plan												
September 3, 2010												
Staff Draft	164,565,308	12,822,383	3,179,322	489,127	1,756,068	19,494,361	2,431,554	13,599				
Difference between RGP		Included in										
		Light										
and Staff Draft	20,446,929	Industrial	5,477,931	-2,822,975	0	4,068,284	725,405	3,626				
Revised General Plan	144,118,379	N/A	10,523,774	3,312,102	1,756,068	15,426,077	1,706,149	9,973				
Route 28 Corridor Plan												
October 20, 2010												
PC Subcommittee Draft	144,857,653	12,742,014	3,179,322	489,127	1,756,068	20,190,391	3,401,940	18,451				
Difference between RGP		Included in										
	700 074	Light	5 007 500	0.000.075		4 704 044	4 005 701	0.470				
and PC Subcommittee Draft	739,274	Industrial	5,397,563	-2,822,975	0	4,764,314	1,695,791	8,478				

<sup>1</sup>Build-out assumptions and rules are provided in Attachment 3. Please note that major and minor floodplains were removed from build-out calculations.

<sup>&</sup>lt;sup>2</sup>High floor-area-ratio/density assumptions as well as land use mix assumptions are provided in Attachment 3.

Under the policies of the Route 28 Corridor Plan based on the Staff draft, distributed to the Planning Commission at the September 3, 2010 Briefing, the three Mixed-Use Office Centers will generate anywhere from 3,213 – 5,026 multi-family dwelling units. Assuming that SPEX 2008-0054 and ZMAP 2008-0021, Kincora, are built as approved, the overall number of residential dwelling units in the corridor will increase from the Revised General Plan by a range of 1,813 to 3,626 dwelling units.

The three Mixed-Use Office Center areas under the draft policies of the Route 28 Corridor Plan based on the PC Subcommittee draft through October 27, 2010 will generate anywhere from 6,322 – 9,877 multi-family dwelling units. Assuming that SPEX 2008-0054 and ZMAP 2008-0021, Kincora, are built as approved, the overall number of residential dwelling units in the corridor will increase from the Revised General Plan by a range of 4,922 to 8,478 dwelling units.

For Retail development, the Staff draft policies will increase the retail square footage, compared to the Revised General Plan by a range of 713,000 square feet to 4,068,284 square feet. The PC Subcommittee draft will increase Retail by a range of 2,081,792 square feet to 4,764,314 square feet. (The Route 28 Corridor Plan eliminates the Destination Retail Overlays within the corridor that support stand-alone, large-scale, multi-tenant shopping centers and big box stores. Therefore Retail under the Staff and Subcommittee scenarios are both employment supportive and small-scale retail.) Staff notes that at the low end, Retail square footage is almost tripled based on the PC Subcommittee draft. This reflects that the PC Subcommittee draft proposes a larger area of Mixed-Use Office Centers, which allows for a greater percentage of Retail. Staff also notes that at the high end, the two drafts are nearly equal in Retail square footage. This is due to The PC Subcommittee's decrease in the FARs for Mixed-Use Office Centers and for Office Clusters.

Office development under the Staff draft policies increases by a range of 7,252,372 square feet to 20,446,929 square feet and by a range of 8,974,534 square feet at the low end to 739,274 square feet under the PC Subcommittee draft. This high-low anomaly for Office under the PC Subcommittee draft is due to two factors: 1.) The increase of the Mixed Use Office Center areas, which can include a lower percentage of Office than an Office Cluster or Route 28 Office development, and the corresponding decrease of the Route 28 Core and Route 28 Business areas, and 2.) The PC Subcommittee's decrease in the FARs for Mixed-Use Office Centers and for Office Clusters.

The approach taken by Staff in the Route 28 Corridor Plan draft was to design and locate the Mixed-Use Office Centers strategically within compact areas to catalyze the Office development potential of sites and their vicinities and to protect the tax base of the Route 28 Tax District. Staff notes that the PC Subcommittee's expansion of the Mixed-Use Office Center areas results in an increase in the amount of potential Residential (up to a 97% increase) and Retail allowed in the corridor and reduces the amount of potential Office development in the Route 28 Core and Route 28 Business areas. While the expansion of the Mixed-Use Office Centers may expand the "places" or centers of activity within the corridor, those increases will not provide as much

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developable land for business activity. This displacement of land for predominantly Office within the corridor will likely also diminish the County's vision of the Route 28 Corridor for a predominantly commercial, employment-based corridor with broad employment opportunities.

Consideration of the PC Subcommittee's recommended reductions in the FARs for Mixed-Use Office Centers and Office Clusters may be effective in bringing the overall increases for either Route 28 Corridor Plan build-out scenario more in line with the Revised General Plan.

Staff is determining the capital facilities and transportation impacts based on the buildout scenarios. This information should be useful as the Planning Commission discusses further the build-out scenarios and Route 28 Corridor plan policies.